

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
Richmond Division**

|   |   |                         |
|---|---|-------------------------|
| <hr style="border-top: 1px dashed black;"/> | : | Chapter 11              |
|   | : |                         |
| Circuit City Stores, Inc., <i>et al.</i> ,  | : | Case No. 08-35653 (KRH) |
|   | : |                         |
| Debtors.                                    | : |                         |
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**OBJECTION OF LEE COUNTY, MISSISSIPPI TAX COLLECTOR  
TO THE DEBTORS' JOINT FIRST AMENDED PLAN OF REORGANIZATION**

Lee County, Mississippi Tax Collector ("Lee County"), a tax creditor holding a pre-petition claim against the debtors in these proceedings, hereby objects to the First Amended Joint Plan of Reorganization (the "Plan") proposed by the Debtors and the Official Committee of Unsecured Creditors. In support of its objection, Lee County states as follows:

1. Lee County holds a claim entitled to priority under 11 U.S.C. §507(a)(8). Such claims are entitled, under 11 U.S.C. §§1129(a)(9)(c) and 511, to post-Effective Date interest at the rate determined by applicable non-bankruptcy law.

2. The Plan, at Article III(A)(2), attempts to impose a much lower "Case Interest

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Rate". That violates §1129(a)(9)(C) and 511, and the Plan, therefore, cannot be confirmed under §1129(a)(1) and (2), which require that a plan and plan proponents comply with all applicable provisions of Title 11.

3. Miss. Code §27-41-9 of the Mississippi Statutes provides that interest on delinquent property taxes accrues "at the rate of one percent (1%) per month", or 12% per annum, compounded monthly.

**WHEREFORE**, Lee County, Mississippi Tax Collector requests that confirmation of the Plan be denied, and for such other relief as may be just and proper.

**Respectfully Submitted,**

**LEE COUNTY, MISSISSIPPI  
TAX COLLECTOR**

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**CERTIFICATE OF SERVICE**

I hereby certify that on this 16<sup>th</sup> day of November, 2009, a true and accurate copy of the foregoing was electronically filed with the Clerk of the Bankruptcy Court for the Eastern District of Virginia, Richmond Division, using the CM/ECF system, which thereby caused the above to be served electronically on all registered users of the ECF system that have filed notices of appearance in this matter, and was mailed, by U.S. Mail, first class, postage prepaid, to all persons on the below Service List:

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